



Request for City Council Committee Action from the Department of Public Works

Date: April 1, 2014

To: Honorable Kevin Reich, Chair Transportation & Public Works Committee

Subject: **Transfer Station Operations Agreement**

Recommendation:

Authorize the proper City officials to execute a Transfer Station Operations Agreement between Waste Management of Minnesota, Inc. and the City of Minneapolis in the amount of \$417,000.00 for the term of May 1, 2014 through April 30, 2015 with the option to extend the contract, on an annual basis, for two (2) additional years.

Previous Directives:

- January 23, 2014: Authorize proper City officials to issue a Request for Proposals for management and operation services for the Minneapolis South Transfer Station.
- February 26, 2010: Authorize proper City officers to negotiate and execute an agreement with Waste Management to provide management services at the South Transfer Station on a month-to-month basis, under the terms of the existing contract with a fee increase, until a 60-day notice is provided to Waste Management that the contract will end.
- June 18, 2004: Authorize agreement with Waste Management to provide management services at the South Transfer Station on a month-to-month basis, under the terms of the existing contract, until a 60-day notice of termination is provided to Waste Management.
- July 11, 2003: Authorize extension of Waste Management contract, pending determination by Public Works of Strategic value of facility, no cost increase.
- October 25, 2002: Authorize extension of Waste Management contract.
- February 5, 1999: Authorize negotiation and execution of contract with Waste Management

Department Information:

Prepared by: David Herberholz, Director, Solid Waste and Recycling Division

Approved by: _____

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: David Herberholz

Reviews

- Permanent Review Committee (PRC): Approval X Date February 6, 2014
- Civil Rights Approval Approval X Date February 12, 2014
- Policy Review Group (PRG): Approval Date

Financial Impact

- No financial impact
- Action is within the Business Plan

Community Impact

Supporting Information

The Division of Solid Waste and Recycling (SW&R) has two transfer stations that are licensed for operation. One of them, the South Transfer Station, is currently being used by our customers and a limited number of small commercial companies to dispose of wastes. On average 8,860 SW&R customers use the voucher program each year to drop off waste from moving, cleaning-out, old tires, or to properly dispose of debris from home improvement projects. The voucher program is operated and funded through the Solid Waste and Recycling Enterprise Fund.

Since 1999, the City has contracted with Waste Management, Inc. (WM), to operate the South Transfer Station. The basic operational duties of the agreement include the following:

- Greet customers at scale. Record weight and direct them to a location for waste unloading.
- Load waste into roll-offs and transfer trailers and prepare for hauling.
- Transport transfer trailers of municipal solid waste (MSW) to the Hennepin County Recovery Center (HERC) and roll-offs of construction and demolition to the WM landfill in Burnsville.
- Maintain the building and grounds in a clean and professional manner

The current agreement is operated on a month-to-month basis and expires on April 30, 2014.

In order to secure a new operational contract, the Solid Waste & Recycling division was authorized to issue a Request for Proposals (RFP) for management and operation services for the Minneapolis South Transfer Station on January 23, 2014. The RFP process has adhered to the following schedule:

- RFP issued on February 21, 2014
- Pre-proposal conference held on March 4, 2014
- Submittals were due at 4:00 PM on March 21, 2014

One (1) proposal was received from Waste Management of Minnesota, Inc. Solid Waste & Recycling requests permission to negotiate the terms of a contract for one (1) year from May 1, 2014 through April 30, 2014, with the option to extend the contract, on an annual basis, for two (2) additional years.